

**MINUTES OF THE JOINT EXECUTIVE APPROPRIATIONS
COMMITTEE MEETING
March 10, 2010 at 11:00 A. M.
Room 210 Senate Building, State Capitol Complex**

Members Present:

Rep. Ron Bigelow, Co-Chair
Sen. Lyle W. Hillyard, Co-Chair
Rep. Bradley G. Last, Vice Chair
Sen. Daniel R. Liljenquist, Vice Chair
Rep. David Clark, Speaker
Rep. Brad L. Dee
Rep. Kevin S. Garn
Rep. James R. Gowans
Sen. Scott K. Jenkins
Sen. Patricia W. Jones
Rep. David Litvack
Sen. Peter C. Knudson
Rep. Rebecca D. Lockhart
Sen. Karen Mayne
Rep. Carol Spackman Moss
Sen. Wayne L. Niederhauser
Sen. Luz Robles
Sen. Ross I. Romero
Rep. Jennifer M. Seelig
Sen. Michael G. Waddoups, President

Staff Present:

Jonathan Ball, Legislative Fiscal Analyst
Steven Allred, Deputy Director
Greta Rodebush, Committee Secretary
Lorna Wells, Committee Secretary

Note: A copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to Order/Approval of Minutes

Co-Chair Hillyard called the meeting to order at 11:45 a.m. He informed the public that handouts were available at the front of the room and viewable on the Internet. Overflow seating was also available in the adjacent Room 220 Senate Building.

MOTION: Co-Chair Bigelow moved to approve the minutes of the Joint Executive Appropriations Committee meetings on February 16, 2010 and March 4, 2010. The motion passed unanimously with Sen. Robles, Speaker Clark, and Rep. Gowans absent for the vote.

2. Budget Actions

MOTION: Co-Chair Bigelow moved to approve the motions for additional funding items, budget adjustments, intent language, and fees, as shown in the packet entitled "Executive Appropriations Committee Remaining Budget Items" and dated today, March 10, 2010.

SUBSTITUTE MOTION: Rep. Litvack moved to approve the original motion with the following amendments to the "Motion Regarding Public Education Budget Changes" on page 15: reduce MSP - Library Books & Electronic Resources (\$500,000) to (\$75,000); change the Subtotal Minimum School Program (\$12,930,900) to (\$12,505,900); change Total Public Education (\$21,156,100) to (\$20,731,100); increase the one-time add-back for MSP-Teacher Supplies & Materials \$5,000,000 to \$6,000,000; change the Subtotal One-time Add-Backs \$11,958,000 to \$12,958,000; and change Total Public Education to \$295,300,000.

Rep. Litvack explained that funding for the amended budget changes would be realized through a \$1.5 million savings within the Public Education budget, contingent upon the passage of H. B.166, Reductions to Education Mandates, which mandates a two-year moratorium on the Utah Basic Skills Competency Test (UBSCT). Rep. Litvack indicated that the bill was currently circled on the Senate 3rd Reading Calendar and had passed in the House with one no vote.

Co-Chair Bigelow stated that he was not opposed to the substitute motion. The motion does not increase or decrease overall funding, but merely realigns funds within the Public Education budget.

Rep. Lockhart asked clarifying questions on the two motions. Co-Chair Hillyard stated that the original motion could be divided.

Rep. Lockhart inquired about the intent language on the "Motion Regarding Transportation Project Programming" on page 31 that shifts \$5 million from one programmed project to another project. It was her understanding that the Transportation Commission generally handles transportation issues and makes this type of funding decision.

Sen. Liljenquist explained that a \$5 million 2008 appropriation would be shifted from one Davis County transportation project to another Davis County transportation project to help facilitate the development of the Falcon Hill Project.

Rep. Lockhart asked what would happen to the first project. Sen. Liljenquist stated that the project would be delayed.

John Njord, Executive Director, Utah Department of Transportation (UDOT) responded to Rep. Lockhart's inquiry. He informed the Committee that the Transportation Commission was not aware of the proposal and that this was an unusual request.

Rep. Lockhart requested that the motion be divided so that this issue could be voted on separately.

Sen. Jones asked if the motion to amend the "Public Education Budget Changes" on pages 15 and 16, would restore funding for library books. Co-Chair Hillyard confirmed that it would.

Co-Chair Hillyard stated that the two requested divisions included the "Motion Regarding Public Education Budget Changes" on page 15 and 16, and the "Motion Regarding Transportation Project Planning" on page 31. He suggested that a third division be considered to address some concerns on the "Motion Regarding Capital Improvement Funds" on page 11.

Co-Chair Bigelow requested that each of the divisions receive more clarification.

Co-Chair Bigelow mentioned that he had received a number of inquiries about H.B. 353, Nonlapsing Dedicated Credit Amendments, that removes statutory nonlapsing authority from dedicated credits. The "Motion Regarding Dedicated Credits" on page 30 addresses those concerns providing additional language that transfers dedicated credits from four existing line items into four new line items, with each new line item having nonlapsing intent language.

Rep. Litvack asked that his substitute motion be divided to address a wording issue in the intent language for Capital Budget - Capital Improvements line item for FY 2011 on page 11. Rep. Litvack requested that the words "High Voltage distribution system and" be stricken from the intent language.

A vote was taken to include the following intent language as amended for the Capital Budget - Capital Improvements line item for FY 2001 on page 11:

The Legislature intends that the State Building Board reallocate \$3,550,000 of prior year capital improvement funds previously authorized for University of Utah and combine them with capital improvement funds allocated to the University for FY 2011 for the purpose of upgrades and replacements in the ~~High Voltage distribution system and~~ High Temperature Water distribution system. This reallocation of Capital improvements funds shall be reported to the Office of the Legislative Fiscal Analyst.

The vote passed unanimously.

Rep. Lockhart commented on the division to include the intent language with the Construction Management line item at the Department of Transportation on page 31. She stated that UDOT has indicated that switching funds from one programmed project to another is quite unusual, especially at this hour, when the Transportation Commission had not been informed. The Transportation Commission should be making these decisions. Rep. Lockhart encouraged the committee to vote against allowing the intent language to go forward.

A vote was taken to include the following intent language with the Construction Management line item at the Department of Transportation on page 31:

It is the intent of the Legislature that \$5,000,000 of the General Funds appropriated in Chapter 2 item 231, Laws of Utah 2008, and programmed by the Transportation Commission for project

number 6981, State Road 193 interchange and US-89 to Cornia Drive, be used by the Department for the project currently programmed for interchange improvements on I-15 at State Road 97 and State Road 103 near Hill Air Force Base.

The vote failed with Sen. Robles, Rep. Last, Speaker Clark, Rep. Dee, and Rep. Garn voting in the affirmative.

A vote was taken to amend the Public Education Budget Changes on pages 15 and 16. The vote failed with Sen. Jones, Sen. Romero, Sen. Mayne, Sen. Robles, Rep. Bigelow, Rep. Dee, Rep. Gowans, Rep. Litvack, Rep. Moss, and Rep. Seelig voting in the affirmative.

A vote was taken on the remainder of the items in the packet, with no amendments to pages 15 and 16. The motion passed unanimously.

Co-Chair Hillyard recognized Co-Chair Bigelow for a motion.

MOTION: Co-Chair Bigelow moved to authorize the intent language for Item 7 on page 7-3 of the Natural Resources Appropriations Subcommittee packet that deals with hunts for Bison, Deer and Bighorn sheep on Antelope Island.

Co-Chair Bigelow explained that this intent language was held out in the March 4, 2010 meeting to work out some concerns. This motion reinstates the intent language.

Sen. Jenkins asked that the motion be restated. Jonathan Ball read the following intent language for Item 7 on page 7-3 in the Natural Resources Appropriations Subcommittee Report packet:

The Legislature intends that the proceeds of the hunts for Bison, Deer and Bighorn sheep on Antelope Island, up to the amount of \$200,000, be used on Antelope Island State Park. Both conservation and regular hunts, will be coordinated through a cooperative agreement between the Division of State Parks and the Division of Wildlife Resources.

The motion passed with Sen. Liljenquist, Sen. Robles, Rep. Dee, and Rep. Garn voting in opposition.

MOTION: Sen. Liljenquist moved to adopt the following intent language:

It is the intent of the Legislature to urge the Permanent Community Impact Board to consider an additional request for \$5,000,000 from Carbon and Duchesne Counties to address transportation issues with development of new natural gas wells, contingent upon a \$10,000,000 funding commitment from private donors to complete the Nine Mile Road improvements.

Pres. Waddoups explained that the Legislature is encouraging the Permanent Community Impact Board to use their existing funding capacity to match the donation from private enterprise. These revenues will expedite the completion of the Nine Mile Road improvements and help generate property tax and mineral lease monies.

Sen. Niederhauser inquired about monies the counties have committed for this project. Sen. Liljenquist stated the total cost to access the natural gas wells is \$20 million. Carbon and Duchesne Counties have committed \$5 million; private donors have committed \$10 million; and the Permanent Community Impact Board is being urged to consider an additional request for \$5 million from Carbon and Duchesne Counties to complete the project. There is an expectation that this project will generate about \$60 million in General Fund revenues.

Sen. Niederhauser asked if the counties can back out. Sen. Liljenquist indicated that most of the county money has already been used.

Co-Chair Hillyard called the question on the motion. The motion passed unanimously.

MOTION: Rep. Litvack moved to include the following intent language in the Medicaid Mandatory Services line item within the Department of Health:

The Legislature intends that the Department of Health at its discretion within existing appropriations obtain federal permission to provide family planning services for two years to women losing their Medicaid eligibility post-partum who have incomes up to 133% of the Federal Poverty Level.

Rep. Litvack explained that if the Department of Health obtains federal permission to provide family planning services to women with children who are already within Medicaid, it is estimated that beginning in 2012, an approximate savings of \$700,000 ongoing would be realized.

The motion failed with Sen. Jones, Sen. Mayne, Sen. Robles, Sen. Romero, Speaker Clark, Rep. Gowans, Rep. Last, Rep. Lockhart, Rep. Litvack, Rep. Moss, and Rep. Seelig voting in the affirmative.

MOTION: Co-Chair Bigelow moved to authorize legislative staff to prepare and number "Appropriations Adjustments" as an Executive Appropriations Committee bill. Staff shall include in this bill the actions of the Executive Appropriations Committee today and funding for other bills that have passed with a fiscal impact. Legislative staff is authorized to make adjustments between funding sources and fiscal years in order to balance the overall budget. In consultation with the co-chairs of the Executive Appropriations Committee, the Legislative Fiscal Analyst may make any technical changes necessary.

Rep. Bigelow explained that today's actions will be placed in a bill that will be printed and introduced on the floor. He stated that motions to amend can be made on the floor and does not preclude adding intent language or funding information that is supported by both bodies of the Legislature.

The motion passed unanimously with Rep. Garn absent for the vote.

3. Other Business

MOTION: Co-Chair Bigelow moved to adjourn. The motion passed unanimously with Rep. Garn absent for the vote.

Co-Chair Hillyard adjourned the meeting at 12:15 p.m.

Sen. Lyle W. Hillyard, Co-Chair

Rep. Ron Bigelow, Co-Chair